

EXTENSIONS OF REMARKS

Hon. Alexander Wiley, of Wisconsin,
Condemns Latest Natural Gas Bill

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, April 15, 1957

Mr. WILEY. Mr. President, one of the most inflationary pieces of legislation of the 85th Congress has now been introduced.

I refer to the proposed legislation which would unfortunately make a hollow shell of Federal regulation of the prices of natural gas.

Specifically, I have reference to H. R. 6790 and H. R. 6791, introduced, respectively, by Representative OREN HARRIS, of Arkansas, and Representative JOSEPH O'HARA, of Minnesota.

In my judgment, this proposed legislation poses a tremendous threat to the American economy in more ways than one.

I ask unanimous consent that a statement I have prepared on this subject be printed in the CONGRESSIONAL RECORD.

Mr. CLARK. Mr. President, will the Senator from Wisconsin yield for just a moment in connection with that he has just said with respect to the Harris bill?

Mr. WILEY. I yield.

Mr. CLARK. I commend the Senator from Wisconsin for the action he is taking at the very start in opposition to the Harris bill, which has been introduced in the House.

When I was mayor of Philadelphia we had a mayors' committee which fought very vigorously against that bill. I know the distinguished Senator from Wisconsin was on that side, and did his very best to prevent its enactment. I assure the Senator from Wisconsin that he will have support in his efforts from at least one Senator on this side of the aisle.

Mr. WILEY. I thank the distinguished Senator. My opening remarks contained a statement of my views. I shall continue to restate them in committee, and before the Senate, when the subject comes before us.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

For months, we have been reading disturbing newspaper accounts to the effect that a new version of the bill which President Eisenhower vetoed in the 84th Congress would soon be introduced.

Now this version has been offered.

This time, it attempts to accomplish its objective by permitting a so-called reasonable-market price to be charged.

But what is reasonable-market price?

It is the going price.

So, will this be regulation? Of course not; it is pretended regulation on the basis of an unregulated price.

So in its pretense at regulation, it is even worse than last year's more frank bill. In 24 pages of legal falderal, the bill deceptively

makes noises as if some regulation were really being attempted.

It sets up a standard for a regulatory agency which the Commission would find it impossible to follow. The criterion would be a quicksand of uncertainty into which every regulatory case would founder—if any attempt were made to actually enforce it.

The reasonable-market price would be changing constantly—upward.

The Commission investigators would have to scramble to keep up interminably with what the latest market price was.

Consequently, the Commission would be following the market price rather than leading, abjectly approving rather than independently establishing a fair regulated price, as all regulatory commissions are supposed to do.

The supporters of this legislation make no bones about what they really have in mind.

Their aim is the very same as it was in the 84th Congress, the 83d Congress, and in preceding Congresses—to deny the consumers of this Nation the reasonable protection which the consumers had a right to expect under the Natural Gas Act of 1938.

For months, we have been reading reports from natural-gas associations to the effect that if the administration really wants this legislation enacted, it—the administration—will have to work hard for it.

I hope that the administration will do no such thing.

I say very frankly, however and yes, sorrowfully, that I will not be surprised if the administration does come once again to the unwise decision of backing the purposes of this legislation.

Unfortunately, the administration has allowed itself to swallow the misrepresentations which have been spread by the natural-gas industry.

Unfortunately, the administration, which has been wisely pleading for a curb on inflation—which has been pleading for voluntary efforts to hold down wage and price pressures, this same administration now seems determined to do a rightabout-face. Thus, it probably backs a bill which will be one of the most inflationary measures in the 85th Congress.

Fuel is the key item in the cost of living and in the cost of production. When industry has to pay higher fuel costs, when 30 million homeowners have to pay higher residential gas costs, what is that but inflation?

We see in this legislation, too, one more unfortunate step down the road of ineffective regulation by a so-called regulatory agency. It is a road in which a Federal Commission does not seem to be actively interested in protecting the very public interest which it was set up to protect.

I say, frankly, but respectfully: The Federal Power Commission has repeatedly failed in its obligations vigorously to protect the public interest.

Instead, by backing the previous version of this legislation and by reportedly backing the present version of this legislation, the Federal Power Commission seems to say, in effect: "Gentlemen of the Congress, we will be glad to authorize whatever the 'traffic will bear,' if you will just permit us to do so."

I want to be fair to the Federal Power Commission—which, after all, faces enormous work burdens. I am not, of course, reflecting on the sincerity of any of its members. I respect their honest differences with me. I am simply stating that the Commission is not uniformly doing the job which the Congress originally intended for it.

Lastly, I want to reiterate a point which I have previously made. The oil and gas industry is definitely entitled to a reasonable return on their investment. The local gas

distributors are entitled to a reasonable return. The pipelines are entitled to a reasonable return on their investment.

But so, too, the public is entitled to reasonable protection.

There is no evidence whatsoever to indicate that the oil and gas industry has suffered under previous Federal regulation. There is every evidence to indicate that the industry has prospered, and that it will continue to prosper if reasonable regulation is carried on.

I hope, therefore, that this Harris-O'Hara legislation will be defeated.

I hope that it will be defeated on its lack of merit and not simply because of part of the oil industry's lobbying tactics, as carried on in the 84th Congress.

I hope the administration will reconsider its overall stand.

I support this administration generally. But I will not falter on my right to part company with the administration when my conscience tells me it is in the wrong.

Perhaps, there are some within the administration—within the Department of Justice or elsewhere—who support my stand and who disagree with the Harris-O'Hara bill. If so, I hope they will be in a position to come forth and openly say so.

Submarines Everlasting Honor and Glory

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. VAN ZANDT. Mr. Speaker, it was Adm. Chester Nimitz who once said that the Japanese missed their golden opportunity at Pearl Harbor when they restricted their attack to capital ships. If they had knocked out our submarines, our task would have been infinitely greater. For as soon as the war started, our submarines began unsupported operations in Japanese waters and substantially damaged Japan's vitally important shipping.

"It was to the submarine force that I looked to carry the load until our great industrial activity could produce the weapons we so sorely needed to carry the war to the enemy," Admiral Nimitz has said. He added, "It is to the everlasting honor and glory of our submarine personnel that they never failed us in our days of peril."

Now this valiant—and relatively unpublicized—branch of our Armed Forces is getting the kind of recognition long due it. Throughout the Nation, a television program called the Silent Service is being shown to increasing millions of Americans. This series, based on authentic war reports, dramatically presenting the heroism and adventures of submarines at war, effectively delivers to the citizenry a weekly account of the vital role our submarine service performs in the Nation's defense.

The series was conceived in love and devotion by Adm. Thomas M. Dykers, United States Navy, retired, an old submariner himself who as commanding offi-

cer of the submarine *Jack* in World War II downed 4 Japanese tankers in 1 day—a feat unequalled by any other United States sub in the war.

Mr. Speaker, it is a privilege to pay tribute to the glory of the men of the submarine service. I commend NBC Television Films for bringing this story to the American public and to WTOP-TV in Washington, D. C., where it begins on the air April 30, so that everyone, especially those in Government here, in the Nation's Capital, may know more about the Silent Service.

The Defense Department Has Not Yet Learned To Properly Utilize Its Manpower

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. MULTER. Mr. Speaker, we are hearing a great deal these days about the necessity of increasing the military pay of various branches of the Armed Forces in order to attract and to keep in the service of our country professional men and skilled technicians.

There is no doubt that such men, if worth their salt, will leave for private practice or private industry if the pay and working conditions are not sufficiently attractive to keep them in Government service. I favor paying these men fair compensation, the fairness thereof to be determined by the competitive demand for these men.

At the same time, it should be pointed out that the Defense Department traditionally has not utilized these men to the best advantage either of the Government or of the men.

We are constantly told that it costs as much as \$25,000 to train a recruit to deal with complicated matters requiring the attention of skilled men. The fact of the matter is that the complaints still pour in to Members of Congress from men who are called up to serve their country, as well as from men who have enlisted for that purpose. Thousands of these men have specialized college and university training. All too frequently such education and training is completely ignored and the men are assigned to training programs entirely foreign to what they have been equipped for. Thousands of dollars are spent by the Defense Department for such training, more properly called retraining. The training is hardly completed when the men leave the service.

Sergeants, good drillmasters despite their lack of formal education, still delight in assigning college-trained men to the garbage dump.

Thousands of dollars can be saved by the Defense Department by properly screening men and assigning them to work that they are already fitted to perform instead of trying to train them to do things in which they have no interest

and which will only drive them out of the service instead of keeping them in.

Our whole concept of military training still reflects the methods of the last century. It has not caught up with World War I, not to mention World War II, or the nuclear age.

Tribute to an Outstanding Citizen—Ian Ross MacFarlane

EXTENSION OF REMARKS
OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. GARMATZ. Mr. Speaker, with the closing of the Emergency Hungarian Refugee Operation, it seems a fitting time to review what has been done in resettling the thousands of gallant freedom fighters and their families in various American communities.

The contribution of the citizenry of Baltimore in this cause is one, Mr. Speaker, which I feel privileged to acknowledge with pardonable pride. Over 125 Hungarians have been brought or sent to Baltimore by various sponsors. This project has required the interest and patience of Baltimore industry in offering employment; the charity of religious organizations in donating clothing; the generosity and understanding of the Baltimore homeowner in making available living quarters where these Hungarian newcomers could live, not only in self-respect, but in an environment of genuine American family life. The YMCA, the Rotary Clubs, the Kiwanis, and other civic organizations, the police department, storekeepers, taxicab companies have all joined in a cooperative effort to assist these otherwise bewildered patriots from overseas.

However magnificent as has been the work, Mr. Speaker, of those already mentioned and the scores of others who have toiled so generously but without recognition, there stands out one Marylander who has been the originator, the spark, the driving force, the coordinator of all this trendous achievement. He is Ian Ross MacFarlane, who this year marks his 20th anniversary as a radio commentator.

Mr. Speaker, this is not the first time Mr. MacFarlane has figuratively left his job as one of our State's most respected political reporters and news commentators to assist those who needed aid. During World War II and following his return from an overseas tour of duty that took him to the frontlines, Citizen MacFarlane sponsored the idea over his radio hookup that eventually resulted in the Congress enacting into law a measure that provided for increased allowances and allotments for the dependents of servicemen. Immediately after the cessation of hostilities, he led the fight that secured for 158 honorably discharged veterans the right to own and operate taxicabs in Baltimore. This group is still functioning and doing a standout job under the name of the G. I. Veterans

Taxicab Association of Baltimore. In organizing this company, Mr. MacFarlane insisted that it be based on equality for all. In other words, Mr. Speaker, integration of its membership from its very inception. In between gathering and editing news, Mr. MacFarlane served as president of this group for 5 years, leaving them with earned assets of over \$100,000.

Every veterans' organization in Maryland has honored Mr. MacFarlane by citations, medals, and plaques for his work in behalf of all veterans. In 1947, he was named the Baltimorean who has done most for the Negro people.

Being a humanitarian and a champion of the rights of all has been the keystone of Ian Ross MacFarlane's life. He is the first non-Jew ever to have lived and worked as a member of the Jewish agricultural colonies in Palestine. Since this period in 1933, he has constantly worked voluntarily for the cause of autonomy for Palestine, which he has seen come to pass with the establishment of the Republic of Israel. Today he is one of the outstanding champions for justice and understanding of this tiny outpost of democracy in the Middle East.

So, Mr. Speaker, it is no wonder that when another voice of an underprivileged or persecuted person calls, Ian Ross MacFarlane is among the first to respond.

Therefore, it is a privilege and real pleasure to be able to pay tribute to Ian Ross MacFarlane in connection with his outstanding and untiring efforts in connection with the Hungarian relief program, and his many other civic activities.

Arrogance of the Postmaster General

EXTENSION OF REMARKS
OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, a senior member on the Post Office and Civil Service Committee, Mr. LESINSKI, commented on an editorial of the Detroit Times of April 15, as follows:

Under law the Federal employees do not have the right to strike against the Government. However, the Postmaster General has achieved the same effect as a strike and some action against him should be taken. As per my previous statement and the following editorial from the Detroit Times of April 15, 1957, he should resign.

The editorial, which I endorse wholeheartedly, is as follows:

The arrogance of Postmaster General Summerfield has brought about a bureaucratic shakedown of Congress and American taxpayers.

His arrogance succeeded last Saturday in canceling all regular mail deliveries in the United States on a business day for the first time in history.

It has succeeded beginning today in curtailing deliveries and hours when post offices are open to the public.

Mr. Summerfield high-pressured a congressional committee into voting him \$41 million extra to run his Department through the remainder of the fiscal year ending June

30. But even this did not move him to call off his cackback of service. He demands the money in hand.

His arrogance has hampered the operation of business and gravely inconvenienced the American people.

The "crack of doom" method he has used raises questions of his efficiency and competence.

Whatever bureaucratic victory he has gained, the Postmaster General has lost the confidence of the public.

He should resign.

The Washington Pilgrimage—A Symbol of the Religious Heritage of America

EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. REES of Kansas. Mr. Speaker, on April 26, 27, and 28 the Washington Pilgrimage, under its 7th annual program, will visit our Nation's Capital to pay tribute to our great American religious heritage.

During the weekend hundreds of men and women of all faiths, from all parts of America, will visit patriotic and historical shrines, religious centers, memorials, and various institutions of Government. In the course of their program they will meet and hear personal messages from America's spiritual, cultural, and Government leaders. One of the outstanding events of their program is an awards dinner on Saturday evening, April 27th. At that time, Dr. Louis H. Evans, former pastor of the Hollywood, Calif., Presbyterian Church, and who presently represents the Presbyterian Church on a nationwide basis, will be named Clergy-Churchman of 1957. The award will be made by Mr. Cecil B. DeMille of Paramount Pictures, Hollywood, Calif.

The Washington Pilgrimage is an organized movement in America whose basic theme is "This Nation Under God," and whose purposes are:

To emphasize our national religious heritage.

To create a greater awareness of the spiritual vision and understanding of America's founders.

To rededicate ourselves to the spiritual origins of our country.

To strengthen our spirit of liberty under which Americans of all religious beliefs may prosper in unity.

To encourage vision, faith, and courage in order to revitalize our American faith in democracy and morality.

To recognize religious leadership by the only national awards in this field to the Clergy-Churchman, Lay-Churchman, Churchwoman of the Year, together with the Faith and Freedom Award in religious journalism.

Because of the importance of this occasion, and for the reason, in all probability, you will be visited by some of those participating in this important

event, I take this opportunity to acquaint you with the purposes and activities of the Washington Pilgrimage.

Proposed Tax Reduction for the Depletion of Human Resources

EXTENSION OF REMARKS

OF

HON. HERBERT ZELENKO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. ZELENKO. Mr. Speaker, today I have introduced a new measure which would cut taxes for older workers by providing a tax deduction for the depletion of human resources.

This bill is aimed at encouraging older people to continue productive activity in business and industry. It would allow taxpayers 45 years of age and older to claim a special deduction for the depletion of human resources on their Federal income tax. There is no reason why there should be a distinction between the present deductions for the depletion of natural resources, machinery and property, and that of the depletion of the most important resource of all—the human one.

The proposed deduction would be computed strictly on the basis of the taxpayer's age and would apply only to salaries, wages, and earned income and would offer an added economic incentive for the older workers to realize their full potential as useful and productive members of the Nation's business and industrial population. At present, from a monetary standpoint, retirement benefits in many cases far outbalance earning inducements for people of 45 and over to remain actively employed.

These conditions have produced a steady and detrimental effect upon the size of our country's senior working forces. Unless Congress takes constructive measures to combat the problem, we will ultimately find ourselves faced with a nationwide shortage of skilled and experienced older workers who form the strength and backbone of so many of our leading industries.

The reduction in income-tax revenue would be balanced with a decrease in social security to older workers who, with the inducement of tax deductions, would choose to remain actively engaged in business and industry. The deduction for the depletion of human resources would be computed by subtracting 44 from the age of the taxpayer and multiplying the resulting figure by 1 percent of his earned income. In other words, as the taxpayer grows older he would be allowed to deduct 1 additional percent each year. Thus, a 66-year-old working taxpayer would be entitled to a deduction of 22 percent from his earned income.

I hope this measure will act to ease the problems of our older people in industry, to the mutual benefit of our senior citizens and our national economic structure.

Bridge Across the Ohio River Near Lawrenceburg, Ind.

EXTENSION OF REMARKS

OF

HON. EARL WILSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. WILSON of Indiana. Mr. Speaker, a week or so ago I introduced a measure which would give Government approval to the creation of an Indiana-Kentucky bridge commission for the purpose of constructing a toll bridge across the Ohio River near Lawrenceburg, Ind. Since this is in the congested Cincinnati area, a bridge at this point would be very helpful.

A few days after introduction of my bill—on Monday, April 8, to be exact—this Chamber passed a measure calling for an appropriation of some \$10,500,000 for the construction of another bridge across the Potomac River between Virginia and Washington. There are already five Potomac bridges in this area.

It seems grossly unfair to me, Mr. Speaker, for the general American public to be asked to foot the cost of this project, with the State of Virginia paying no more, proportionately, than will Nevada, for example.

Also, the people in Indiana and Kentucky—and elsewhere, I am sure—are going to wonder why they have to finance all their bridges across the Ohio, while the entire Nation pays for bridges connecting the District of Columbia with Virginia and Maryland.

There are now four bridges spanning the Ohio River between Evansville and Cincinnati, a distance of some 350-river miles. Not a one of these was financed by public moneys. All were constructed as toll bridges, paid for by the people who use them. The people out there have not complained about it, either. They were glad to get the bridges, glad to pay for them. I am certain they will be equally as glad for the opportunity to pay, by the toll arrangement, for the proposed new bridge at Lawrenceburg.

I am familiar with all the arguments in favor of another Potomac bridge—the congestion, the fact that Washington is the Nation's Capital, and so forth—but I still cannot see the fairness of calling upon all American taxpayers to meet the cost.

I might point out that there is very much heavy traffic in the region of the Ohio. People now drive 30 or 40 miles to get to a bridge to cross that river. There are many important industrial centers, and there is much defense work going on. In event of armed attack against our country, the north-south traffic arteries and bridges would be of immense importance.

In seeking passage of my own Lawrenceburg Bridge Commission bill, I am not suggesting that one red cent come from Federal funds. All that my people want is the approval of the Government so that they can proceed, in an orderly manner, to set up a commission which

will plan all the details incident to financing and constructing of the bridge.

I wonder why other bridges, such as the Potomac projects, cannot be financed in a similar manner?

Plans Completed for 1957 Congressional Tour of New York City, May 10, 11, and 12

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. VAN ZANDT. Mr. Speaker, plans have been completed for the annual congressional tour of New York City and Kings Point Maritime Academy, May 10, 11, and 12.

This annual congressional tour for Members of both Houses of Congress and their families provides for 3 glorious days in New York at a cost of \$37.50 for adults and \$32.50 each for children between the ages of 5 and 12 years.

As in previous years, Members of the Senate and House of Representatives have received a most cordial invitation from Mayor Robert F. Wagner of the city of New York, who has instructed his city department of commerce and public events to make every effort to assure an interesting and well-balanced program for the reception and entertainment of the group making the 3-day tour of New York.

For the information of those who intend to make the tour, the following itinerary will be of interest.

SCHEDULE OF EVENTS

Friday, May 10: 9:45 a. m. daylight time, we leave Washington via Pennsylvania Railroad. Luncheon will be served in dining car. We arrive New York Penn Station at 1:45 p. m. daylight time, and immediately board motor coach for tour of lower New York, including a stop at City Hall for reception by the Mayor, Hon. Robert F. Wagner. We also stop at the United Nations for a 2-hour tour. We arrive at the Paramount Hotel about 6 p. m. daylight time. The evening will be open to attend the theater or enjoy the bright lights of Broadway.

Saturday, May 11: 9 a. m. motor coaches will leave for Pier 83, Hudson River, to board excursion steamer for luncheon and harbor inspection until 2 p. m. From 4 to 6 p. m. the party will go aboard the Italian Line steamship *Cristoforo Colombo* at pier 84, Hudson River, for a reception and inspection of the ship. The party will then proceed to the Hotel Savoy-Plaza for a reception and buffet dinner after which the evening is open for theaters and other forms of entertainment.

Sunday, May 12: 8:30 a. m. motor coaches will transport the party to the foot of the Battery for a 9 a. m. departure via steamer up the East River through Hell Gate Rapids and out to Long Island Sound for a noon arrival

at the United States Maritime Academy pier at Kings Point, Long Island. After lunch and a review of the cadets, the party will return by bus to the Pennsylvania Station, New York City, and depart for Washington at 5:30 p. m. daylight time.

I should like to emphasize that this tour is for Members of the Senate and House of Representatives and their families, and reservations should be made immediately by calling Miss Patricia Bryan, extension 366 or 1830.

The Postmaster General Should Resign

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, the \$41 million deficiency appropriation should be approved quickly by Congress so that full postal service can be restored throughout the Nation. We cannot abide ill-considered "meat-ax" cuts vitally affecting thousands of families whose breadwinners are postal employees, as well as the millions of postal patrons who are entitled to rely on the mail service which has been established.

However, the Postmaster General should resign. I said so at the outset of this hassle; I say so again now, as do the Detroit Times and other leading newspapers, along with a number of Congressmen, including my friend and distinguished colleague, JOHN LESINSKI, Democrat, Michigan, who is a senior member of the House Post Office and Civil Service Committee, of which committee I am also a member.

Now, did the Postmaster General violate the antideficiency law? Yes, says the Comptroller General in an opinion written April 12, 1957. He violated subparagraph (c) (1) which requires him to make the money appropriated to his Department last for the full year without the necessity of a deficiency appropriation.

The law provides no penalty for the violation of this section. I intend to introduce an amendment to provide for the same penalty applicable for violations of paragraphs (a), (b), and (h) of the Anti-Deficiency Act.

My considered opinion, as a lawyer, is that Mr. Summerfield violated paragraph (h), for which paragraph the penalty is, upon conviction, a fine of not more than \$5,000 or imprisonment for not more than 2 years, or both. His guilt, of course, must be determined by a court. Therefore, I am turning over a copy of this statement to the United States attorney for the District of Columbia with the request that he take appropriate action and in due course advise me. I personally do not believe Mr. Summerfield should be fined or imprisoned, in view of the fact that there have been previous unprosecuted violations of the Antideficiency Act al-

though it appears that none was so gross, so flagrant, and so arrogantly carried out as the instance before us. In any event, if he were convicted, the matter of punishment would be for the court to decide.

All that I am saying as a lawyer is that there is a basis for prosecution for the following reasons:

Paragraph (h) of section 3679, Revised Statutes as amended—title 31, United States Code, section 665—commonly known as the Antideficiency Act, provides:

(h) Expenditures in excess of apportionment prohibited: penalties.

No officer or employee of the United States shall authorize or create any obligation or make any expenditure (A) in excess of an apportionment or reapportionment, or (B) in excess of the amount permitted by regulations prescribed pursuant to subsection (g) of this section.

It is plain that Mr. Summerfield did authorize and create obligations in excess of the amount permitted under subsection (g), which subsection, so far as important, reads as follows:

The head of each agency, subject to the approval of the Director of the Bureau of the Budget, shall prescribe, by regulation, a system of administrative control * * * designed to (A) restrict obligations or expenditures against each appropriation to the amount of apportionments or reapportionments made for each such appropriation.

A study of the reapportionments made by the Bureau of the Budget at the recommendation of the Postmaster General shows that the fourth quarter apportionments beginning with December 14, 1956, were \$11 million below the "apportionment" made on July 13, 1956, and were \$31 million below the July 13 "apportionment" by reason of a "reapportionment" accomplished on February 4, 1957. A study of the eight adjustments of the "apportionments" will show that the Postmaster General decreased the fourth quarter "apportionment" by three different "reapportionments," which resulted in the fourth quarter "apportionment" being \$40,727,100 less than the third quarter "apportionment" which covered 2 days' less time.

I have put "apportionment" in quotation marks because the proper understanding of this word is central to an understanding of my contention that subsection (h) has been violated. My point is this: As used in this act, an "apportionment" is more than a mere division of the money appropriated for the whole year. It is, rather, the sum necessary for any particular quarter so that the usual services provided by the Department may be carried on as provided by law. It is plain that the reductions in the fourth quarter by the adjustments set forth in the Comptroller General's letter, No. B-131361, dated April 12, 1957, resulted in the amount allocated to the fourth quarter being far too little to maintain the usual services in the sense just described. This is further borne out by the fact that the Postmaster General is pressing for a \$47 million deficiency appropriation so that he may maintain operations during this fourth quarter.

The whole matter boils down to the Postmaster General's willful and knowing violation of the Anti-Deficiency Act by purposefully refusing to apportion the appropriation money as required by law. It may be said that he did ask the Director of the Budget to approve supplemental appropriations and that the Director of the Bureau of the Budget, through inexcusable ignorance with respect to the use of postal revenues, refused to transmit this information to Congress.

However, the Postmaster General well knew the antideficiency law and had ample opportunity between July 10, 1956, and the adjournment of Congress that year, as well as during the remainder of 1956, to contact the appropriate committees of the House to inform them of any additional needs so that the drastic curtailment now put into effect would not be necessary and so that the antideficiency law would be obeyed instead of flagrantly flouted and violated.

Federal Expenditures

EXTENSION OF REMARKS

OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. NEAL. Mr. Speaker, those who oppose reducing the 1958 budget are just not responsive to general public opinion.

The progressive addition of bureaus and agencies calling for more Federal employees and annual increases in the cost of Government has aroused the people to the necessary tax burden that must be imposed on them to administer these programs.

Instead of continuing heavy taxes and spending to the limit of public forbearance, Government leaders might well read the signs of revolt so spontaneously generated by uniting their efforts to make this 1957 the year of the turning point from deficits and lavish indulgences.

Sensible reductions from amounts proposed by domestic Federal agencies, a more careful review of overlapping functions and waste in the Defense Department, and withdrawal of foreign aid from missions completing their assignments, can be the direct means of showing the folks back home that we are abandoning our disappointing experiences in assuming we can save the world.

It is traditional for heads of families and business organizations to periodically take account of capital depletion and correct unwarranted expenditures that endanger the safety and solvency of the financial structure.

The predicament of the United States Government, overdrawn, so to speak, in the sum of \$275 billion, still insisting on increased budgets with no assurances of diminishing national indebtedness and only an expression of hope for tax relief, should indicate the timeliness of a reevaluation of our national financial prospects.

The American citizens have been extremely tolerant but that tolerance is waning. Let us recognize and profit by the warning before we encounter open revolt.

Area of Production Definitions and the Farmer's Income

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. GATHINGS. Mr. Speaker, the farmer goes to the market place and asks: "What am I offered?"—for the American farmer must sell his product in the market and pay, in great part, for the processing of that product for market. The cotton farmer's price for his cotton must absorb the cost of ginning. The farmer cannot pass on to the consumer any increase in his cost of production.

When the wage and hour legislation was before Congress in 1938, Representatives from the Cotton Belt pointed out these facts to other Members of Congress. Congress realized that the cotton farmer had to pay the cost of the ginning and that to increase the cost of ginning would result in a reduction in the farmer's income. Accordingly, when it enacted the wage and hour legislation, Congress placed in the law an exemption applying not only to agricultural labor but in addition exempted the operations and processes involved in preparing for marketing and handling of agricultural commodities. This exemption is in section 3 of the act of 1938, as amended, and came to be known as the area of production clause.

However, despite the clear intent of Congress, the Secretary of Labor, through the definition of "area of production" has virtually nullified this exemption. So well have they drawn their definition that only 14 percent of the cotton gins in the Nation are exempt under this bureaucratic decree, and only 4 percent of the cotton compresses are eliminated from the provisions of the minimum wage and maximum hours law. Under the present departmental definition, and it will be remembered that earlier definitions issued by the Secretary have been condemned and nullified by the Federal courts, a cotton gin in a rural county in Arkansas is not considered as being in the area where cotton is raised if, first, more than 5 percent of the cotton received at the gin in any month was transported more than 10 miles from the farm, or, second, if the cotton gin is within 1 mile of a village having a population in excess of 2,500, or is within 3 miles of a city having a population of 50,000.

Another example to indicate the extent to which this definition has nullified the intent of Congress to exempt operations and processes involved in handling and preparing for market of agricultural commodities is the fact that cotton ware-

houses in the Cotton Belt which handle 94 percent of the cotton crop are not considered by the Department as being in the area where cotton is grown.

Only last year the Supreme Court denied a contention that poultry is not an agricultural commodity and, therefore, dressing and preparing poultry for market is not to be considered under this exemption.

Nor does the Department of Labor take into consideration new processes and techniques in preparing food for market. Canning of fruit and vegetables is exempt but the freezing of food is not. Today, great savings to the consumer have been effected by packing some vegetables in the field and hauling them to the packing sheds for precooling prior to shipment. But, this new technique is penalized by the Department, which has ruled that since the packing is done in the field the cooling operation is no longer exempt.

The following information, taken from official Government sources, shows graphically what has been happening to our farmers' income because of these increasing labor costs and processing charges:

[In billions of dollars]

Year	Gross farm income	Production expense	Labor cost of distributing products	Net farm income
1947.....	34.0	16.8	10.8	17.2
1948.....	34.6	18.6	11.8	15.9
1949.....	31.6	17.9	12.4	13.7
1950.....	32.1	19.2	13.0	12.9
1951.....	37.1	22.3	14.2	14.8
1952.....	36.7	22.5	15.1	14.3
1953.....	35.1	21.2	16.0	13.9
1954.....	33.5	21.4	16.5	12.0
1955.....	32.9	21.6	17.2	11.3
1956.....	34.0	22.1	(¹)	11.8

¹ Not available.

It is apparent that action must be taken to eliminate the Department of Labor's authority to restrict and nullify the intent of Congress. In the Senate S. 1418 has been introduced by Senator STENNIS, of Mississippi. This bill will re-emphasize the intent of Congress by defining the meaning of "agriculture," "first processing," and "area of production." Senator STENNIS would define the area of production to be "all of each county in which such commodity is produced in commercial quantities, except that it shall not include the corporate limits of a city or municipality having a population in excess of 250,000 as reported in the 1950 census."

In the interest of protecting the farmer's net income as well as assisting the American consuming public, this legislation should be adopted.

Reserve Officers' Retirement Pay

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. MULTER. Mr. Speaker, there is a real need for enactment of the Spark-

man-Jackson-Huddleston bill (S. 1085 and H. R. 689) which would specifically include Reserve officers for retirement pay under the Pay Readjustment Act of 1942.

The latter bill referred to "any officer" who served in World War I as well as World War II and "is eligible for retirement." The current interpretation of the term "officer" to signify only Regular Army officers is unreasonable and unjust.

As an example of what type officer is being excluded by this discrimination against Reserve officers, I cite the case of an officer friend of mine. This officer has 43 years' creditable service for pay purposes. He served actively from 1912 to 1915 on the Mexican border, from 1917 to 1919 with the AEF in World War I, from 1942 to 1945 in World War II, and from 1952 to 1955 during the Korean crises. During all inbetween periods he was active in the Reserve Corps. He received the Legion of Merit in World War II. He was considered "essential" when recalled in 1952. At that time, at the age of 54, he gave up an excellent position as a top executive. He came back at age 57 to start, in effect, a new career. This type of uprooting and consequential readjustment to civilian life is a type of sacrifice unique to the Reserve officer in the Army.

Those officers, who maintained Active Reserve status between World Wars I and II, worked against odds to do so, and without compensation.

In interpreting the Pay Readjustment Act of 1942, officers who were cadets at West Point during World War I, have just been ruled eligible on the basis that "any service" qualifies them, yet the term "any officer" is not interpreted to mean any officer other than Regulars.

I urge the enactment of the Sparkman-Jackson-Huddleston bill so that the inequitable situation, whereby the Reserve officer is excluded from the officer class, will be remedied.

Post Office Department Appropriation

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. McGREGOR. Mr. Speaker, it is to be regretted that the chairman of the Appropriations Committee and possibly one or two more are playing politics with the Post Office Department's recommendations. I am sure the public will know of his actions and his refusal to give consideration to the request of the Postmaster General that an emergency exists.

I am reliably advised that the Postmaster General notified the proper department many months ago of the situation in which we now find ourselves. It is ridiculous, in my opinion, for the Congress to pass laws reclassifying and increasing expenditures of the Post Office Department and then to refuse to give the money to pay for those increases.

I sat in on a meeting a few days ago, Mr. Speaker, and our Postmaster General Summerfield had questions fired at him for over an hour. I might add that many of the questions did not come from so-called friends. The Postmaster General clearly demonstrated that he is a victim of politics, that just a few members of the New Deal and Democratic Party were trying to embarrass not only him but the Eisenhower administration as well.

Being granted permission to extend my remarks, I am including the following information given by the Postmaster General that I believe will be of interest:

How much does the Post Office Department spend in a year?

About \$3,250,000,000.

Seventy-eight and four-tenths percent for postal employees' salaries and fringe benefits set by Congress.

Fifteen and one-half percent for transportation of mail set by Government agencies.

One and eight-tenths percent for rents, utilities, and communication set by FCC.

Only 4.3 percent left for controllable items over which the Department really exercises any control.

Use money to print stamps, buy trucks, pens for 38,000 post offices, and hundreds of other items needed to operate post offices.

Why does the Post Office Department need \$47 million now?

To give accustomed service for the next 90 days.

None of this money to pay past bills.

Three reasons why it is costing more to give the American people the mail service they deserve, expect, and pay for:

1. More mail than estimated by about a billion pieces. And this increased volume of mail doesn't provide funds to operate the Post Office Department, since all revenues go directly to the Treasury Department.

2. Increased mail service to 1.3 million new homes.

3. Higher wages to employees by law.

All three of these reasons beyond control of the Department.

If the Post Office Department doesn't get the \$47 million, what can it do?

Required by law to live within the money Congress appropriates.

If Congress doesn't vote more money, must curtail mail service starting next Saturday, April 13.

Orders to go so already in hands of postmasters.

1. No Saturday mail deliveries.
2. Close post offices on Saturdays.
3. Less delivery service in business areas.
4. Close post offices earlier on weekdays.
5. Embargo third-class mail on April 29.
6. Stop the sale of money orders on April 29.

Obviously these drastic actions seriously hurt the economy of the Nation.

Has the Post Office Department ever asked for more money before?

Yes; but only once in past 4 years.

In 1956 needed and got \$166 million more, of which \$150 million was for pay increases under Public Law 68, effective March 1, 1955; the remaining \$16 million is the only supplemental appropriation the Department has received in 4 years for additional operating expenses.

However, in 2 other years spent less:

In 1954 turned back \$105 million.

In 1955 turned back almost \$50 million.

Are you cutting costs in the Post Office Department?

Yes. Now carrying 20 percent more mail with fewer employees than 6 years ago.

How many postal employees are there?

1952-----	523,757
1955-----	511,613
1956-----	508,587

How is mail volume increasing?

Pieces

Billion

1952-----	49.9
1956-----	56.4
1957 (estimated)-----	58.8
1958 (estimated)-----	59.7

Is the Post Office Department satisfied with mail service today?

Of course not.

Better than it was but still not good enough.

What is the Post Office Department doing to improve service?

Spending over \$4 million this year alone on research.

Set up first Office of Research and Engineering in history.

Working with nine engineering firms and Bureau of Standards.

Developing mechanical and electronic devices to speed mail through post offices.

Over 1,500 obsolete post offices replaced in past 4 years with new ones built by private capital.

Objective: Next day delivery of mail anywhere in the United States.

Governments South of the Border, Free and Otherwise

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD in connection with Pan American Day, I am bringing the following list to the attention of my colleagues. It separates the practicing democracies and blatant dictatorships, with a third category consisting of countries striving to adopt democratic procedures but who for various reasons do not qualify as democracies at this time:

TYPES OF GOVERNMENTS IN LATIN AMERICA, MARCH 1957

I. DEMOCRACIES

1. Brazil.
2. Bolivia.
3. Chile.
4. Costa Rica.
5. Ecuador.
6. El Salvador.
7. Mexico.
8. Panama.
9. Peru.
10. Uruguay.

II. DICTATORSHIPS

1. Colombia (Rojas Pinilla).
2. Cuba (Batista).
3. Dominican Republic (Trujillo).
4. Nicaragua (Somoza).
5. Paraguay (Stroessner).
6. Venezuela (Perez Jimenez).

III. GOVERNMENTS FALLING BETWEEN THE EXTREMES OF POPULAR FREEDOM AND DICTATORIAL GOVERNMENT CONTROL

1. Argentina: Revolutionary government of General Aramburu has problem of recovery after 10 years of Peron dictatorship. Elections are promised for 1957.
2. Guatemala: Government of Castillo Armas which replaced Communist-infiltrated government [duly elected] of Arbenz has aroused criticism of even friends by repressive measures.

3. Haiti: President Magliore forced to resign in December after outburst of public discontent. Provisional government has scheduled elections tentatively for April.

4. Honduras: In October 1956 a liberal military junta seized power from an unpopular de facto government. The junta is committed to free elections and an eventual return to constitutional government. At present junta enjoys widespread popular support.

CBS Action Makes Case for FCC Network Control

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. BYRD. Mr. Speaker, I wish to direct the attention of our colleagues to the proposed action by Columbia Broadcasting System to discontinue its television affiliation with Charleston, W. Va.'s station WCHS-TV, the only operating television station in the capital city of my State. Columbia Broadcasting System has announced it will transfer its network affiliation to station WHTN-TV in Huntington, W. Va., which has just been purchased by the Cowles interests, "a big-business operation in the Midwest." The unfairness of such action is clearly evident in the following letter which I have forwarded to the president of CBS. The public interest may also be involved if the contemplated transfer is effected. The following editorial from the April 10, 1957, issue of the Charleston Gazette clearly points up the issue. The letter and editorial follow:

APRIL 10, 1957.

DR. FRANK STANTON,
President, Columbia Broadcasting
System, Inc., New York, N. Y.

DEAR DR. STANTON: It has come to my attention that the Columbia Broadcasting System contemplates discontinuing its affiliation with Charleston, W. Va.'s only operating television station, WCHS-TV, and transferring its affiliation to WHTN-TV in Huntington. I understand that WCHS-TV has already been notified that its affiliation will be terminated on July 1, 1958, the expiration date of its contract with CBS.

I am quite familiar with the service being given by station WCHS-TV in Charleston, our State capital, which is the focal point for both State and Federal governmental activities in West Virginia. The Columbia Broadcasting System in having been affiliated with station WCHS-TV, has enjoyed the confidence and profound respect of the citizens of the area. The present facilities accommodate a very broad listening audience, and our capital and its people have been greatly benefited by the very adequate and complete services that have been rendered. In my opinion, no station could possibly provide better service than that being rendered to the public in the Charleston and immediately adjacent areas by station WCHS-TV. The transfer of network facilities from Charleston to a new station would deprive a rapidly growing industrial area of the kind of service it has been receiving and which it so rightly deserves. Unexcelled news service, national, State, and local, has been provided in the field of both radio and television by WCHS-TV, and Charleston has come

to accept it as one of the indispensable factors in the progress and development which have caused the Kanawha Valley to be so often spoken of as the "magic valley."

If the plan that has been announced by CBS is carried forth to completion, I have no doubt that the citizens of all of West Virginia will be justified in feeling that Charleston's local station has been exploited to satisfy big business and absentee ownership. It would be said indeed if this should be the situation, because it is in just such situations that Government control, so often and so vociferously deplored in this day and age, is invited.

Charleston's station WCHS-TV is about to complete the construction of a new high tower erected at a cost of over \$300,000. The location and the construction of the tower were approved by the engineering department of Columbia Broadcasting System. It would seem to me that CBS would be morally obligated to continue its affiliation with the Charleston station, now that WCHS-TV has gone to the trouble and expense of building the new tower. Transmittal of pictures via the new tower is expected to begin on May 1. The station constructed the tower in good faith in order to improve and expand its coverage. Instead of waiting until the station could have an opportunity to prove the performance of the new tower, CBS has arbitrarily announced that it will transfer network facilities to the Huntington area as soon as the present contract runs its course.

Dr. Stanton, I cannot help but be greatly disturbed about the action contemplated. I represent the congressional district in which Charleston is located. Mine is the greatest coal-producing district in the United States, and in the Kanawha Valley you will find one of the largest concentrations of chemical plants in the Western Hemisphere. It seems little short of ridiculous that the city in which is located the seat of State government, situated in such a large industrial and heavily populated area, is about to be deprived of its CBS outlet. I realize that the matter is one over which I have no direct supervision or control, but as Representative of an area which will be most vitally and injuriously affected, I cannot, in good conscience, avoid protesting the action being proposed. I am advised that the owners of television sets will be put to additional expense for purchase of new antennas, and I should think that CBS would be most reluctant to cause this additional burden to be placed upon the public. Moreover, the public has a natural, and, indeed, vested interest in retaining the outlet in Charleston, and I am at a loss to understand why the facilities should be moved to another community which already possesses the outlet of another leading network, namely, NBC.

I trust, Dr. Stanton, that the proposed action, although already announced, will not be consummated. Local ownership has been recognized by the Federal Government as being the type of ownership which renders the most complete public service to the people. The people of West Virginia too long have suffered from out-of-State ownership of many of the industrial enterprises, and we look jealously and with askance upon the decision by CBS to weld another shackle and place another millstone around the neck of local ownership as is being done in this instance. I sincerely hope that reason and justice will prevail and that the Columbia Broadcasting System will not terminate its affiliation with WCHS-TV.

Sincerely yours,

ROBERT C. BYRD,
Member of Congress.

CBS ACTION MAKES CASE FOR FCC NETWORK CONTROL

The decision of the Columbia Broadcasting System to switch its television affiliation

from WCHS, Charleston, to WHTN, Huntington, raises two rather astounding points:

1. That an organization of the supposed business sense of CBS would make such a decision in the first place; and

2. That the Federal Communications Commission, which has the power to regulate individual television stations down to the finest detail, has no control whatsoever over the giant networks.

On point 1, except for a business obligation to do the best possible job for its stockholders and what some may hold to be an obligation to the viewing public, we suppose the CBS decisions in such matters are its own business.

But on point 2, it seems to be astonishingly inconsistent that Congress would give the FCC control over individual stations, which would be in the relative category of small business and give an absolute free hand to the networks, which are big business with the power to make or break an individual station.

And nothing does more to emphasize this inequity than the case at hand, which we consider to be an unfair, arbitrary, and unreasonable action on the part of CBS to give one television station a great advantage at the expense of another.

It can hardly be denied that network affiliation is a big factor in the value of a local station. Thus, looking at it in the cold light of cash value, the CBS decision will be highly beneficial to WHTN and somewhat detrimental to WCHS just as it would have had a similar effect on the stations concerned if NBC had decided to switch from WSAZ to WHTN.

Therefore, it seems rather significant that the CBS decision came shortly after WHTN, admittedly a weak third station in the Charleston-Huntington area, was purchased by the Cowles interests, a big business operation in the Midwest.

Is this a case of CBS, which is big business itself bowing to the demands of big business in the ownership of individual television stations?

And, with this switch in network affiliation, what happens to the value of the stock of WHTN, which certainly must have been acquired by Cowles at a modest price?

The only reasons made public by CBS for its decision were that it wanted to be in a more competitive position with NBC's Huntington outlet, WSAZ, and that Cowles had done an outstanding job of management in other cities.

But CBS prefers to ignore the advances made by WCHS after its main competition had a 5-year advantage in getting on the air, and the effort and expense to which it has gone to improve the CBS competitive position.

The thing that makes the CBS action so unfair, and casts suspicions upon the motives involved, is that the decision was made just before WCHS is to put in use its new transmitting tower which it is building at a cost of \$300,000 to improve its competitive position.

Both WCHS and WHTN are in the process of building new towers. Therefore, if CBS had any interest in being fair in its consideration of affiliates, we contend that it would have waited until it could have had a firsthand comparison of the two stations on their performance with their new transmitters.

Instead, CBS arbitrarily announces its decision to kick its old friend, WCHS, off to the side and embrace an untried but wealthy newcomer.

Such an action certainly causes suspicions and raises questions that should be subject to review by the Federal Communications Commission.

In the public interest, Congress should do something to prevent this dog-eat-dog principle of permitting the big to swallow up the small.

Middle East Development Authority

EXTENSION OF REMARKS OF

HON. GEORGE S. McGOVERN

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. McGOVERN. Mr. Speaker, one of the clearest and best-informed voices in the field of American foreign policy today is that of Minnesota's great Senator, HUBERT H. HUMPHREY. Always a forceful and articulate spokesman, Senator HUMPHREY is also a keen student of foreign relations. As a member of the Senate Foreign Relations Committee, he has frequently offered incisive criticism and constructive suggestions in such a manner as to place all those who believe in peace in his debt. Knowing of his special interest in the crucial area of the Middle East, I have asked unanimous consent that an address which he delivered in New York City on April 10 be included in the RECORD.

The address follows:

ADDRESS BY SENATOR HUBERT H. HUMPHREY ON THE MIDDLE EAST DEVELOPMENT AUTHORITY (MEDA)

Tonight I want to explore with you some further thoughts on a subject I first broached here in New York on December 20 in a speech I made at the Overseas Press Club. At that time I said:

"It might be useful . . . to consider establishing, under United Nations auspices, a Middle East Development Authority. Most of the economic, as well as the other, problems of the area are international in their scope. Most of them also require outside assistance, either in the form of capital, of technical aid, or of good offices. Why not, then, have an international agency to deal with them? The kind of Middle East Development Authority that I have in mind would have on its board of directors representatives of all the states of the area, as well as representatives of the states furnishing capital and technical assistance. Ample provision could be made to protect national sovereignties."

In the past few months since I made that suggestion, I have been spending a good deal of time thinking about the proposal in more detail. Among the various proposals which others have made and which are entirely consistent with my own suggestion, is one in particular which I should like to bring to your attention. It originated in the London Economist last August 4, at the start of the Suez crisis. The Economist called for "a permanent international zone to consist of the Gaza Strip, plus a narrow strip of Egyptian Sinai running all down the frontier to the Gulf of Aqaba south of Israel's Red Sea outlet at Eilat, plus the Island of Tiran at the mouth of the gulf." The Economist proposed that "this area should be available for the passage of oil pipelines, air, and land traffic—in fact, all international communications agreeable to the United Nations."

I believe that this proposal should be given more consideration. Even on its own merits, such a strip would form a buffer zone making it possible for both Egypt and Israel to reduce their military expenditures. Unlike most international transfers of land, it would displace no settled nationals of any country. Operating in conjunction with a Middle East Development Authority, the project could indeed provide new employment to many of the 200,000 Arab refugees in the Gaza Strip.

Of course, there is the possibility—perhaps the probability—that intense negotiations

would have to take place before both Egypt and Israel would accept this proposal. We need to be bold. But there are advantages in it for both. As one bargaining point in negotiations, I would even be willing to consider the possibility which has up to now been unacceptable to the Israelis: namely, the possibility of an internationally administered and guaranteed corridor across the Negev which would provide land communications between Egypt and Jordan. Such a corridor could in turn be used as a quid pro quo both for an additional international corridor across the Sinai Peninsula and for Arab guarantees of free Israeli passage through the Straits of Tiran and the Suez Canal.

Whether or not some modification of this plan for the internationalization of territory can be worked out, the parallel proposal of a Middle East Development Authority still seems to me to be a significant and hopeful one. We should give it the highest priority in a dramatic effort to break the accumulated logjam of frustration and bitterness in the Middle East.

Nowhere on earth can a better case be made than in the Middle East for a regional approach to the basic necessity for economic development. Most if not all of the vexing, complicated tensions of the area are involved with, and partly dependent upon, present economic conditions and future economic prospects in the area.

A Middle East Development Authority (MEDA), representing all the states in the region as well as of other states furnishing capital and technical assistance, could be a decisive new element in the whole situation. It seems to me that such an authority could be the catalytic agent which is now so desperately needed to precipitate solutions for a host of other Middle East problems.

As I now see it, MEDA itself would be a kind of hybrid between the World Bank and the TVA. It could undertake projects itself. It could lend money to either private or public agencies. It could participate in equity financing, in the manner of the International Finance Corporation. It could actively manage projects. It could carry on scientific research (in such matters as soil fertility, geological surveys, etc.). It could make basic engineering surveys and contribute to the drawing up of overall regional development plans. Furthermore, it could carry on long-term technical assistance—directed and staffed by the people of the area—for the people of the area.

The advantages of such an authority are really exciting. Just to consider a few of the possibilities:

1. MEDA could divert the attention of Arab leaders from military adventures to internal economic development. Turning Arab energies into constructive channels would eventually lead to institutional and social changes, such as the growth of a middle class, which would have a beneficial energizing and yet stabilizing influence.

2. MEDA could provide a means of channeling Arab oil revenue into productive uses which would benefit the entire area, thus utilizing part of the presently existing hard-money resources of the Middle East for the financing of regional development.

3. MEDA could be an international entity with which the states of the area could carry on bilateral negotiations and bilateral economic agreements. At present, it would be fanciful to expect Israel and Egypt to agree with each other. But it would perhaps not be so fanciful to expect them to agree separately with someone else.

4. MEDA could ultimately provide a solution to the whole Palestine-Arab refugee problem. This problem is supposed to be dealt with by the U. N. Relief and Works Agency, but UNRWA's activities have been limited almost solely to relief. The only long-term solution for the refugees is basic economic development for the area as a whole—the kind of development which will

make it possible for the area to support more people at a higher standard of living.

5. MEDA might provide the political and economic formula for the acceptance of the Jordan River plan. MEDA itself could manage the project. This would also have advantages because an international agency would be less suspect of giving one side or the other more or less than its fair share of irrigation water or of power.

6. MEDA could give technical assistance and supervised farm credit to farmers settling on new lands coming into production from the development of the Jordan, the Litani, the Euphrates, or the Nile.

I appreciate the fact that there would be very serious practical problems as to how MEDA could be established and financed. In the present circumstances in the area, these problems may prove insuperable. For this reason, it is probably wise not to attempt to outline MEDA's charter and functions in precise detail, but to leave plenty of room for negotiation and compromise as developments indicate. Great care must be taken not to give MEDA the appearance of a supranational authority which would impinge upon the sovereignties of the states of the area. All chances of Egyptian participation, especially, would be lost if MEDA were put forward as an international agency to operate the Suez Canal.

To meet these objections, ample provisions for the protection of national sovereignties would have to be written into MEDA's charter. Further protection would be offered by the fact that all participating states would be represented on MEDA's Board of Directors.

Care would also have to be taken that MEDA did not become an instrument for furthering the Arab economic boycott of Israel. At the same time, the project would probably fail if the Arabs viewed it as an instrument designed especially for breaking their boycott. The avoidance of both of these pitfalls will require a fine degree of diplomatic tightrope walking, and determination to come to grips with the problems.

It is important to recognize that progress toward political stability and economic development in the Middle East can only be made slowly, one step at a time. It is impractical to try to work out an overall political settlement and economic development plan in a single package. It is imperative, however, that some kind of a start be made. Once this is done, the economic and social consequences will themselves generate a kind of momentum that will lead to further progress. For example, one cannot realistically expect the establishment of full trade relations between Israel and the Arab States in one step. But one can, perhaps, expect some kind of an arrangement, with MEDA or a similar agency acting as an intermediary, whereby joint water-use rights, for example, can be established. And one can also expect one thing to lead to another. Economic contact has a way of stimulating further activity.

In all of this, it is of the greatest importance that economics and politics be sharply separated. Economic development and political stability are, of course, closely related, and it is a close question as to which comes first. But one of the difficulties with the American foreign economic assistance program has been that it has been too much concerned with political conditions and too little concerned with economic conditions. The result, in many cases, is that the program has been counterproductive politically and a failure economically.

If there is a new international agency for economic development in the Middle East, or if the United States continues its own bilateral programs, the problem should be approached on an economic basis. The charter of the international agency should forbid the use of political considerations, and the

United States should renounce such use. On the other hand, the most rigid economic criteria should be established and adhered to.

What we have got to get across to everybody concerned in the Middle East is that it is in their own interests to turn their attention from intraregional feuding to intraregional development. This is true of both Israel and the Arab States. Israel has a per capita gross national product approximately twice that of Lebanon, the richest Arab state, and approximately 4 or 5 times that of most of the other Arab states. Just as it is unhealthy, and indeed dangerous, for the United States to live as an island of wealth in a sea of poverty, so is it unhealthy and even more dangerous for Israel to do so.

This is not to suggest an Israeli aid program for the Arab States. But it is to suggest that Israel has responsibilities toward the Arabs, particularly in terms of compensating the Arab refugees and providing for at least token resettlement in Israel.

The Arab States likewise have responsibilities toward Israel, the most important of which is to recognize Israel's right to independent existence and peace.

The Arabs frequently complain about the disparity in American aid to Israel as compared to the Arab States. What is frequently overlooked is that American aid has been better used and has been more effective in Israel than in almost any other country of the Afro-Asian region. The economic transformation which Israel underwent between 1952 and 1955 is as dramatic as that which occurred in Western Europe under the stimulus of the Marshall plan—yes; even more so.

The plain economic truth is that comparable amounts of aid poured into the Arab States would have produced by no means comparable results. In Israel, the aid program was dealing with a skilled, literate population with workable social and political institutions which are a prerequisite to economic development. These same conditions do not exist in the Arab States. This is not a reason for withholding aid to Arab States; but it is an additional reason for undertaking, multilaterally, and on a regional basis, fundamental development projects in the Arab States. The need is great—the possibilities challenging.

Total United States aid to Israel and the Arab States has amounted to more than \$600 million. Except in Israel, it has not been particularly effective. The total that can be usefully expended over the next 10 years will almost certainly be no more than \$600 million—let's say \$1 billion at the most. If a regional development agency like MEDA could be created and given a capital of approximately this amount, the United States would be called upon to contribute only a portion of the total. In addition, the chances of successful economic development would be considerably improved.

UNITED STATES-ISRAEL ECONOMIC RELATIONS

What I have just said about the importance of Israel as a symbol for economic development in the whole Middle East area only further serves to emphasize the importance of close, continued United States-Israel economic relations. Your own Chamber is dedicated to the promotion of these relations, through the publication of your News Bulletin and Monthly Journal; your regular and special meetings of businessmen; your market research; the finding of agents here for Israeli products and in Israel for American products; your advice to investors; your assistance in licensing arrangements, and the many other valuable services you are performing.

I know that your 10-year program aims at sustaining and increasing United States-Israel economic relations and calls for economic activity totalling \$1,500,000,000 over the 10 year period since your founding in 1953. I rejoice with you that economic activity between the two countries is increas-

ing, in spite of diminishing official United States economic aid to Israel.

On that subject, let me say a bit more. United States economic aid to Israel reached its peak in fiscal year 1953 (\$70 million), and has been decreasing since then. Last year it was \$25 million, but was augmented by some \$25 million in surplus foodstuffs.

This form of aid promotes United States exports to Israel, usually to an extent larger than the aid amount itself. This help, of great value to Israel, has also helped establish United States leadership in Israel's markets.

I know that you have heard talk of renewing such aid now that Israel's troop withdrawals have occurred. I know that the hundreds of United States business firms trading with Israel, are anxious to know: (a) When will the aid be renewed, and (b) What amount of aid is being considered.

I am glad to say that I have reason to believe that the Israeli aid program will be resumed in the near future. As you know, mutual security aid for fiscal 1957 was planned at about the level of \$25 million for Israel. I believe that when the program is resumed, it will be reinstated at about that same level.

You will also remember that a United States Export-Import Bank loan to Israel of \$75 million was under negotiation last year, to assist Israel's agricultural development. The grant of the loan would have meant much export business for the United States, no doubt over and above the \$75 million loaned.

The Export-Import Bank announced last October 11 that a delegation from the bank would leave for Israel to examine the development program and clear the way for granting the loan. The outbreak of fighting negated this mission.

Since Israel's withdrawal there have been rumors that the negotiations for the loan are being resumed and I can assure you that some of us have been urging, and will continue to urge with all the force at our command, the renewal of these negotiations.

OIL PIPELINES

Many of us have been following closely the developments in the two Israeli pipeline projects now in process, as well as the third which is still in the planning stage.

I appreciate the fact that our Government has not been requested to assist in the financing of any of these projects, but I am afraid the reason is what the Israelis consider to be a predictable disinterest on our part. I should like to see us take an active interest, and offer to help. The oil pipeline situation in Israel at the moment is itself another story of imagination and initiative on the part of those pioneering people.

The first pipeline, a purely domestic project, calls for the construction of an 8-inch pipeline from Eilat—on the Gulf of Aqaba—to the railhead of Beersheba. This line will be capable of carrying about two-thirds of the country's oil needs, or roughly 800,000 metric tons a year. Construction of this pipeline was undertaken from domestic resources, with pipe already in the country and the preliminary technical survey was done by Tahal, the Israel water planning company. To put the line in operation by the target date of April 15, Israel must bring to rapid completion 2 pumping stations with double pumps—one located at Eilat and the other about 100 kilometers north of that port. Israeli press reports indicate one of these stations was completed by the middle of March. The oil will be transported by rail from Beersheba to the Haifa refinery which has an annual capacity of 4 million tons. This pipeline of 240 kilometers will cost about \$6.7 million.

In the meantime, another project which is about to commence is for a 16-inch pipeline from Beersheba to the Mediterranean coast—in the neighborhood of Wadi Suk-

heir (about 80 kilometers south of Tel Aviv) with the oil transported by sea tanker to Haifa. The 16-inch line from Beersheba to Wadi Sukheir will be 60 kilometers in length.

Israel is also seeking financing for a 32-inch pipeline to carry 25 million tons of oil a year from Eilat to a location somewhere along the Mediterranean coast. The pipeline will be 180 or 270 miles long, depending upon the location of its Mediterranean terminal, and may require something in the order of \$60 million. According to Israeli reports, surveys of this line have begun, with the help of French engineers. This project would be an international pipeline and is intended as Israel's answer to the Suez problem. Israelis say that they prefer private enterprise financing of this project. At one point, the French Government announced it would finance its construction but this appears to have fallen through. Whether this project can be realized remains to be seen. It, too, may depend on what we do.

Here, as on other issues, it is important to remind ourselves in conclusion that what happens to Israel happens to freedom. America and the entire free world are inextricably involved in the fate of Israel. We must frankly come to recognize that whatever happens to this struggling country happens to the forces of freedom everywhere.

If this outpost of democracy suffers, the free world suffers with her. As a result, far more than the fate of one nation, as vital as that is, is involved in the future of the Middle East.

Israel ought to and does represent and exemplify America's foreign policy objectives. Our goals for a free and peaceful world include development of responsible governments, the correction of ancient social and economic inequalities, the determined use of modern skills and technical skills for economic progress, and the opening of new horizons for the human personality. When we look at the Middle East today, where but in Israel do we find these goals being realized in daily performance? Israel is an exemplification of liberal democracy, in an area needing a beacon of democracy.

We have a vital stake in keeping that beacon glowing.

The Federal Flood Insurance Program

EXTENSION OF REMARKS OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. THOMPSON of New Jersey. Mr. Speaker, in recent weeks, I have been endeavoring to determine the reasons for the delay in the issuance of flood insurance policies to those who desire to purchase them. I have found that the delay was caused first by the administrative details which had to be ironed out before rates could be established, policies drafted and claims procedures established.

The administrative work has been completed now and excellent procedures have been developed under which extremely reasonable rates are proposed for policies which you will be able to purchase from your own insurance agent wherever you live. Fire and casualty insurance companies will issue the contracts and collect fees and losses will be handled through independent claims adjustment facilities.

I was delighted to learn of the excellent job which had been done but my spirits were dampened when I learned that the Federal Flood Indemnity Administration has been unable to get the Appropriations Committee to budget the \$50 million which will be necessary. Members of the committee tell me that the States have indicated little interest and that the demand for the insurance on the part of individual homeowners is below expectations. The committee apparently has balked because of the campaign for economy and the whole program is in danger of collapse—this is shocking, but true.

The \$50 million to which I have referred is not to be spent each year, and is necessary for two principal purposes: First, for subsidy premium payments into the reserve fund, and secondly, for payments to agents, carriers, and loss adjusters for their expenses and services. Obviously, if the Government sells an insurance policy and a loss occurs, the Government has a legal obligation to pay the loss, therefore a reserve fund must be set up. The program will be self-supporting, but, like any private insurance company, the Government must have money to start.

During the 84th Congress I was privileged to participate as a cosponsor with Senator Herbert H. Lehman and others in the first flood-insurance program ever established in the United States.

Senator JOHN F. KENNEDY said, on March 21 on the floor of the Senate, that—

The Nation's first flood-insurance program, in the shaping of which I was privileged to participate, was one of our proudest accomplishments in the last session of Congress. It was intended to fulfill a dire need on the part of homeowners and businessmen in all parts of the country, including New England. It was promptly considered and passed by both Houses of Congress, and swiftly approved by the President, because of the urgent need for such legislation before disaster struck again.

Now, nearly a year later, as New Englanders and others prepare for the consequences of spring and melting snows, what has happened to this program? No protection is available, no insurance can be purchased, no regulations have been published, no final policy forms have been agreed upon. Excessive bureaucratic delay, undue reliance upon a private insurance industry whose attitude has been negative from the beginning, and a diminution of popular interest as the result of restrictions, have all contributed to this administrative failure.

Senator KENNEDY puts his finger on one of the major reasons for the failure of the program to date. He said:

One of those legislative problems—the necessity of obtaining a special appropriation for administrative expenses—would not have occurred had the administration accepted the provision in my original bill for such expenditure to be made from program funds, which come from a Treasury revolving-loan fund. But once the present provision was enacted, the new Federal Flood Indemnity Administration was negligent in failing to submit a budget request in time for inclusion in the urgent deficiency appropriation bill, already passed by the Congress.

I have joined with Senator KENNEDY in sponsoring legislation to amend the present Federal Flood Insurance Act of

1956. My bill, H. R. 6334, was introduced on March 25, 1957.

I include here the text of H. R. 6334, together with a letter I have received from the Commissioner of the Flood Indemnity Administration. I feel both of these items will be of considerable interest to my colleagues:

Be it enacted, etc., That (a) section 4 of the Federal Flood Insurance Act of 1956 is amended by striking out all that follows the colon and inserting in lieu thereof the following: "Provided, That in the processing of applications for insurance under this act, the Administrator shall give priority to applications from persons who are not then protected against loss due to flood under any insurance provided by the Administrator under this act."

(b) Section 7 (a) of such act is amended by striking out the last sentence thereof.

(c) Section 15 of such act is amended—

(1) by striking out in the first sentence of subsection (b) the following: "and the contributions made by the Administrator and the respective States in accordance with section 7 (a) of this act"; and

(2) by striking out the last sentence of subsection (e) and inserting in lieu thereof the following: "Funds may be borrowed under this section at such times as may be deemed necessary by the Administrator, and funds so borrowed shall be deposited, in such proportions as the Administrator deems advisable, in the disaster insurance fund, the disaster reinsurance fund, and the disaster loan fund."

(d) Section 21 of such act is amended by striking out the second sentence thereof.

HOUSING AND HOME FINANCE AGENCY,
FEDERAL FLOOD INDEMNITY ADMINISTRATION,
Washington, D. C., April 11, 1957.

HON. FRANK THOMPSON, JR.,
House of Representatives,

Washington, D. C.

DEAR CONGRESSMAN THOMPSON: This is in answer to the inquiry from your office yesterday about the current status of the Federal flood indemnity program.

On March 12, 1957, the President transmitted to the Speaker of the House proposals for supplemental appropriations for the fiscal year 1957, in which \$50 million was requested for the operations of the Federal flood indemnity program. This amount is composed primarily of two items: One for subsidy premium payments into the reserve fund (disaster insurance fund); and the other for payments to agents, insurance carriers and loss adjusters as reimbursement for their expenses and services. You realize, I am sure, that this money can only be used as the business develops. Obviously, if we sell an insurance policy and a loss occurs, the Government has a legal obligation to adjust the loss and an adjuster must be paid. The same is true for agents who sell the policy and carriers who issue it in our behalf and perform accounting and statistical services. Until money is appropriated by the Congress for this purpose, we cannot legally incur these obligations.

The request is now before the Subcommittee on Independent Offices of the House Committee on Appropriations. Since the Federal Flood Insurance Act requires that all administrative costs, including payments to the insurance industry for selling and servicing this insurance, must be paid from appropriated funds, the date that we can offer this insurance to the American public is directly related to the action of the Congress. When Congress appropriates these funds, we can shortly thereafter commence issuing insurance policies.

By way of background, you will recall that the 84th Congress enacted the Federal Flood Insurance Act of 1956 on the closing day of the session and it was signed into law by President Eisenhower on August 7, 1956.

Acting under the authority of this act, Administrator Albert M. Cole established the Federal Flood Indemnity Administration as a constituent unit of the Housing and Home Finance Agency on September 23, 1956. On the same date, I was appointed Commissioner of FFIA.

Some of the potentially difficult administrative problems of establishing a new program lent themselves to prompt solutions. Acting under the authority of the act to utilize the private insurance industry to the maximum practicable extent, we have been able to lay out a marketing plan that contemplates maximum use of private facilities; Insurance agents and brokers throughout the country will sell Federal flood-indemnity contracts; fire and casualty insurance companies will issue the contracts and collect fees; and losses will be handled by independent claim-adjustment facilities. The marketing arrangements we have made will enable persons or corporate bodies to purchase flood-indemnity contracts in their own communities from the same agents or brokers who sell fire and casualty insurance.

We have been successful in negotiating with the insurance companies to have their services and facilities made available to us at cost; without profit or allowance for administrative expenses or other expenses normally incident to the operation of their business. These operations will be subject, of course, to our supervision and control.

After months of intensive efforts, we are now completing final drafts of the flood-indemnity contracts, underwriting rules and regulations, loss adjustment procedures and accounting and statistical forms and regulations, as well as completing the rate structure. Net rates (after the application of subsidy) will range for the major classes of our risks from approximately \$1 to \$2.50 per hundred of insurance on an 80-percent coinsurance basis.

Since you were so closely connected with the legislation which created the flood-indemnity program, you know that flood insurance for fixed-location property has never been generally available to the American people. Because of the high risk and catastrophic nature of floods, private companies have declined to offer this form of insurance.

This meant that we were charged with the responsibility for writing flood insurance without any prior flood-insurance experience to draw upon for ratemaking and underwriting. However, we had to comply with provisions of the act which specified that rates shall be established which would produce sufficient proceeds to pay all claims for probable losses over a reasonable period of years, shall be based on consideration of the risks involved, and that the fees to be charged the purchasers of indemnity contracts shall be designed to achieve marketability.

We attacked the rate problem by calling on the services of two groups of specialists. One was a committee of highly competent rate experts from the insurance industry. The other was an interagency committee of the Federal Government, including engineers and hydrologists from the Weather Bureau, the United States Geological Survey, and the Corps of Engineers.

Each committee, working separately, came up with a different rating system. The industry suggested rates which would be applicable nationally. These rates would take into consideration, among other things, (1) the location of the property, whether over water (such as piers, wharves, and similar facilities) or not; (2) whether insurance covered only the building or the building and its contents; (3) the location of the contents within the building; (4) whether or not the insured desired to take advantage of coinsurance or contribution provisions; and (5) dollar and percentage deductibles.

The Government group suggested rates based on hydrological data and the mathematical probability of floods. This system

would establish rates on the basis of location alone, that is, elevation and distance from the exposure, and upon the probability of a flood of a certain discharge at that site. These data, it was proposed, were to be used to develop contour maps which would indicate flood frequency, magnitude and intensity, and thus an average risk for property within prescribed zones shown on the map. This method is time consuming and expensive and not practicable for immediate use.

We have given both these systems exhaustive study and have arrived at a method which we feel combines the best features of each. We propose to adopt the general approach suggested by the insurance industry, but have modified it by considerations of flood frequency and damage in different areas.

By using the best data available, we have established a separate set of rates for each major river basin in the United States and for the more highly exposed areas along the Atlantic and Gulf coasts. We feel that the rates as now established meet the requirements of the act, including marketability.

I share with you and your constituents the concern over the need for protection against future flood losses, and I assure you that we are making every effort to offer flood insurance as soon as possible after the appropriated funds become available.

I trust that this answers your inquiry. If you have need for any further information, please do not hesitate to contact me again.

Sincerely yours,

FRANK J. MEISTRELL,
Commissioner, Flood Indemnity Administration.

Asian Assembly for Moral Rearmament

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, April 15, 1957

Mr. WILEY. Mr. President, there has just been completed in the Philippines an Asian Assembly for Moral Re-Armament attended by representative leaders from 27 nations. This assembly was welcomed to his country by the late President Magsaysay, and was attended by his successor, President Garcia, with members of his Cabinet.

We in Washington would be wise to take note of what has been done and said at this gathering. The reconciliation of bitterness between races and nations, the demonstration of moral and spiritual power in men who can decide policy, the implications for the United States of this new understanding among the free nations of Asia—these are all matters of the highest significance.

Freedom has its ideology. Absolute moral standards give it firmness. The spirit of God gives it life.

If we in America live that ideology we shall find a response in Asia that money cannot buy. It could be the turning point.

The signs of response to these deeper realities at this assembly are a source of hope for us all—and a challenge to us to examine our policy and our practice in light of these truths.

Mr. President, I ask that a statement I have prepared on this subject be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ASIAN ASSEMBLY FOR MORAL REARMAMENT—STATESMEN UNITE AT MRA ASSEMBLY IN THE PHILIPPINES

President Carlos P. Garcia of the Philippines and Mrs. Garcia, with members of his Cabinet and leaders of the Philippine Congress, traveled by special train to Baguio to welcome delegates from 27 nations to the Asian Assembly for Moral Re-Armament held March 29–April 8. President Garcia said: "I am glad that Moral Re-Armament was born. It is sounding a chord that will find responsive hearts the world over."

The Presidential party included the Acting Secretary of Foreign Affairs, the chairman of the Senate Foreign Relations Committee, the chairman of the Senate Committee on National Defense, as well as other members of the Cabinet and chairmen of congressional committees.

The Manila Times reported that President Garcia went to fulfill a date made by the late President Magsaysay. Speaking of the late President, Senator Roseller Lim said:

"Since his breakfast a year ago with Dr. Frank Buchman, initiator of Moral Re-Armament," the President said at least three times, "Ros, we must decide this on the basis of what's right, no matter whose feelings are hurt, even my own." On that basis many of the President's problems were solved. Five days before his death I told him about this Assembly. He said he would come to Baguio to open the conference, and expressed the particular hope that the three Colwell brothers would be coming."

Senator Emmanuel Pelaez, chairman of the Senate Committee on National Defense in the Philippines, said:

"It is for practical reasons that I want MRA to be a force here. From the standpoint of national security it can be a very practical, realistic bulwark against the infiltration of communism."

ONLY ANSWER A SUPERIOR IDEOLOGY

The former Prime Minister of Nationalist China, Gen. Ho Ying-chin, now chairman of the Military Strategy Advisory Board of Taiwan, summing up the results of the conference, declared that what he and others had "failed to achieve in 10 years of postwar diplomatic effort had been accomplished at this Asian Assembly.

"Although the war ended over 10 years ago, deep bitterness has remained. I see Moral Re-Armament as the ideology which is uniting the Asian nations. Real contributions have been made to the welfare of Asia. Leading Japanese and Koreans have found understanding. We have seen a dream of long standing realized here. Enemies have become reconciled and great hope has been found.

"Today we need a superior ideology to safeguard our national freedom and democracy. Dr. Frank Buchman, from his knowledge of human nature, foresaw this need and has given the world an ideology of change. Twenty years' experience of communism has proved to me that the only answer is a superior ideology. Today there is only one road—that of Moral Re-Armament—along which the whole world can advance to freedom and peace."

Gen. Ho Ying-chin pledged himself to accept gladly any responsibility through Moral Re-Armament to consolidate this new spirit in Asia and the world.

PRIME MINISTER U NU DEFINES BASIS OF ANSWERING IDEOLOGYS

The Burmese Prime Minister sent a message to the assembly which was broadcast

*On July 1, 1956, President Magsaysay awarded to Dr. Frank Buchman the Order of the Philippines Legion of Honor with Gold Medal.

over the Burmese National Radio: "Dr. Buchman has presented to the world a new ideology above race and class because it seeks to answer the needs of the heart. This ideology seeks to change men, their ideas, their motives, their aims. Its moral standards of honesty, purity, unselfishness, and love form the cream of all religious beliefs."

Prime Minister Nobosuke Kishi of Japan said in a message delivered by Niro Hoshijima: "I look forward to the day when all the peoples of Asia unite in friendship. This desire of mine makes me exceptionally happy to send my greetings to the Asian Conference for Moral Re-Armament. Understanding between nations can hardly be realized by the official phase of diplomacy alone. What appears to me vastly more important is a re-awakening to the moral and spiritual values involved."

Dr. Mohammad Hatta, former vice president and cofounder of the Indonesia Republic, sent a message declaring: "If with God's help you can achieve something to alleviate world tension, the whole of mankind will be grateful to you."

R. P. Sunarto, a director of Radio Indonesia, delivered Dr. Hatta's message and told of the widespread response to weekly broadcasts on MRA in Indonesia.

President Ngo Dinh Diem of Vietnam sent a personal representative, Dinh Van Huan, first president of the court of appeals. Mr. Van Huan said: "To remake the world we only need a determined nucleus in every country. I am deeply convinced of the objectives for which you are so effectively striving. An Asian Assembly for Moral Re-Armament should be held at least once a year."

HISTORIC HATREDS HEALED

Niro Hoshijima, cosignatory of the Japanese Peace Treaty and oldest member of the Diet in point of service, said: "Relations between Japan and our nearest neighbor, Korea, are not what they should be. This is primarily the responsibility of the Japanese. Here we have been able to find the road to unity between Korea and Japan. With the spirit of MRA Japan can change and we can find lasting unity with the countries of Asia."

Yoon Sung Soon, chairman of the Foreign Relations Committee of the Korean National Assembly, said: "The real difficulties between Korea and Japan can only be solved through the spirit of Moral Re-Armament. We need to change personally, but it also needs to issue in political, social, economic, and international changes. I have to change and every nation has to change. Just as Korea and Japan have found unity through MRA, so too can every nation."

Senator Shidzue Kato, member of the Foreign Relations Committee of the Japanese Diet, asking forgiveness of the Korean people who suffered under more than 30 years of Japanese occupation, said: "I want to take full responsibility for what my nation did and for this I ask your forgiveness. I return with the determination that it will not just be lip service to an apology but to fight that this spirit becomes the policy of my nation."

Mrs. Park Hyun Sook, former Korean Cabinet Minister whom the Japanese had imprisoned for years and whose husband had been bedridden for more than 18 years as a result of Japanese maltreatment, said: "The unity of Asia can only be achieved when there is reconciliation between Japan and Korea. Through change in my own heart I lost my enmity and I am convinced that only on the basis of MRA can permanent peace be achieved in Asia and the world."

Senator Kato, in describing how the reparations agreement between the Philippines and Japan was ratified, said: "Before I met MRA I was champion in embarrassing the government to get my name before the public. But MRA taught me how to fight on

the basis of what is right. Last June the Diet was considering ratification of our reparations agreement with the Philippines but this was endangered by our party's opposition to the Government and the many conflicts in the Diet. I decided to take full responsibility as a member of the Foreign Relations Committee to fight for ratification, and 3 hours before the Diet session ended the reparations agreement was ratified."

Daw Nyein Tha, distinguished educator from Burma, said: "MRA has the secret of turning enemies into friends." She quoted Dr. Buchman: "The best defense of your country is the respect and gratitude of your neighbors."

Mr. Kichizaemon Sumitomo, head of the Japanese industrial family which before the war employed 500,000 men, said: "I realize that as a capitalist I was also responsible for what happened in the Philippines by providing the material strength for the Japanese militarists. But apology is not enough. We in management must work on a basis of what is right. It is not enough to rely on good will between individuals. We responsible leaders of our nations must commit ourselves to living a moral ideology."

After an apology by Renzo Yanagisawa, chairman of 250,000 Japanese shipyard workers, for what Japan did to the Philippines during the war, Donato Alarcon, vice president of the Philippine Transport Workers Union, said: "At this assembly we are developing the moral ideology where our mistakes of the past can be corrected and Japan and the Philippines can learn to live as members of one family."

Willard Johnson, president of the student body of 12,000 at the University of California at Los Angeles, and Jerry Nelson, another student leader from the same university, told of the unity MRA had brought to their campus. "We were the bitterest political enemies on the campus," said Nelson. "What we had been doing was divisive and selfish. MRA united us. America needs this ideology. It is the only hope of our country." Johnson said: "We Negroes have often attempted to answer racial prejudice with an equal amount of prejudice against the whites. Our real battle is against prejudice and not against the people involved in it. The ideology of moral rearmament can answer racial prejudice because it challenges both black and white to change and build a new world."

WORLD DICTATORSHIP, WORLD DESTRUCTION, OR WORLD RENAISSANCE

Dr. Douglas Cornell of Washington, executive officer of the National Academy of Sciences, said: "MRA is the ideology of freedom needed in the atomic age. I have worked 10 years in the development of weapons and have some knowledge of such facts

as the marriage of atomic warheads with guided missiles. The new factor is that the next war would mean total destruction. Consciously or unconsciously everyone of us chooses one of three alternatives—world dictatorship, world destruction, or world renaissance. MRA offers every man the chance to play his full part in the creation of this renaissance."

Dante Calma of the office of the President of the Philippines, said: "As yet it is only in Communist countries that ideology is placed before self-interest. I fear for the future of my country and my children if there is not a change. Moral Re-Armament has proved a turning point in my life and for the first time I have become part of my Catholic faith. The future of this country as well as of Asia is being shaped here at this assembly. We Filipinos must make Moral Re-Armament top priority."

Dean Vincente G. Sinco, dean of the College of Law, University of the Philippines, and chairman of the import-export committee, told the assembly: "I have been overwhelmed by the decisions which men and women have made at this Assembly to take this ideology to Asia and the world. The spirit of greed, falsehood, impurity, and selfishness exists even where there is no communism. With MRA these forces will not become dominant in our nation. Only in this way will we have peace and unity."

Rajaram Shastri, Member of Parliament of India and General Secretary, 1954-55, of the All-India Hind Mazdoor Sabha, central organization of the Socialist trade unions of India with 500,000 members, declared:

"As a Marxist I spent 26 years of my life organizing the Indian working class on a basis of hatred and bitterness. When I saw the division around me I traveled for an answer to Soviet Russia, Red China, and several countries of Europe, but everywhere I found people suffering from the same disease—materialism.

"When I met Moral Re-Armament I realized that for 26 years I had been pointing out the mistakes of others instead of seeing where I need to change myself first. MRA turned a torchlight inward. Through absolute moral standards and the guidance of God lies the way to bring peace and happiness to individuals, families, nations, and the world."

Cornelio Balmaceda, general manager of the Philippine Chamber of Commerce and former Minister of Commerce, who had earlier attended the World Training Center for Moral Re-Armament at Caux, Switzerland, while a delegate to the ECOSOC Conference in Geneva, said: "Ideological controversy plagued the meetings in Geneva. At Caux I saw Communists changing and the force of an idea to unite the world. Most

solutions center around material rearmament. MRA is an armament that does not cost nations billions to insure defense. While the masses of Asia are being serenaded by communism, the coming of Moral Re-Armament is very significant and timely."

TRUE BASIS FOR EAST-WEST UNITY

In a cable to Mr. SAM RAYBURN, Speaker of the United States House of Representatives, and Senator THEODORE FRANCIS GREEN, chairman of the Senate Foreign Relations Committee, on the occasion of a private showing for Members of both Houses of the United States Congress of the all-African film, Freedom, delegates at the Asian Assembly said:

"The Asian nations gathered at Baguio in the Philippines respond to your initiative in the presentation of the film, Freedom, to the United States Congress. The Asian premiere of Freedom was seen here this week by delegates from 24 nations attending the Asian Assembly for Moral Re-Armament. This overwhelming film is providential for our nations at this critical time and must reach the millions of Asia now.

"The ideology depicted in the film, Freedom, is the ideology Asia wants. It is the only true basis on which East and West can unite. Where diplomacy has failed to answer our greatest need, Moral Re-Armament is succeeding. It is breaking down barriers of hate and bitterness and creating trust and unity. It is opening up avenues to reparations and concrete accords.

"We are grateful for the three American brothers, the Colwells, who responded to the late President Magsaysay's call that they come to Baguio. They have played a vital part in operating the spirit in which unity is being forged between our nations."

The cable was signed by: Senator Roseller T. Lim, the Philippines; General Ho Ying-chin, chairman, Military Strategy Advisory Board, Formosa; Niro Hoshijima, senior member, Japanese Diet; Senator Shidzue Kato, member, Foreign Relations Committee, Japan; Yoon Sung Soon, chairman, Foreign Relations Committee, Korean National Assembly; R. P. Sunarto, director, Radio Indonesia; Devar Surya Sena, Radio Ceylon; Dato Mahmud Bin Mat, former speaker, Legislative Council, Malaya; Maung Maung Khin, editor, New Light of Burma; Rajaram Shastri, Member of Parliament, India.

A special showing for members of Congress of the Philippines was held on April 13 and attended by the Speaker of the House of Representatives, the Senate majority leader, chairman of the three Senate committees, and other Congressional leaders. The morning session of the Senate was delayed for an hour to enable members to attend.

SENATE

TUESDAY, APRIL 16, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, strong to save, all that we think or plan or do this sacred week has upon it the shadow of a rugged cross. With a surety that pure reason cannot follow, because it passeth understanding, we are conscious that in the face of man's best man, love's best love, as He moves with unshrinking, steady pace to the cross-crowned hill outside the city's walls, is the confirmation of our highest aspirations, the rebuke to our failure to be true to our best, the shining goal of

a self uncowed by the threats of foes or compromised by the seduction of friends:

We take, O cross, thy shadow
For our abiding place,
We ask no other sunshine
Than the sunshine of His face;
Content to let the world go by,
To know no gain or loss,
Our sinful selves our only shame,
Our glory all the cross.

In His name, who for the joy that was set before Him endured the cross and despised the shame. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Monday, April 15, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

- S. 58. An act for the relief of Duk Chang Cho;
- S. 87. An act for the relief of Pavel Blaho;
- S. 91. An act for the relief of Victor Charles Hunt;
- S. 127. An act for the relief of Anna Maria Cosentino and Francesca Maria Cosentino;
- S. 158. An act for the relief of Hewey Malachi Mackey;